



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

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Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

December 8, 1982

Mr. Richard Blubaugh
Atlas Minerals Corporation
P.O. Box 1207
Moab, Utah 84532

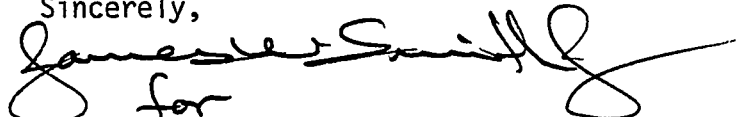
RE: Permit Application
Reviews for
The Four Corners Mine ACT/015/014
The Wood Lease Mine ACT/037/021
The Cane Creek Mine ACT/019/007
The Happy Jack Mine ACT/037/024

Dear Mr. Blubaugh:

The Division has completed the remainder of the reviews for the outstanding, partially finished mine plans referenced above. These reviews should bring to a close the processing of the twenty-one currently filed Atlas Minerals mine plans. As with the letter to you dated December 8, 1982, a compilation of questions pertinent to each mine plan has been enclosed. Answers or submittals to the items will be necessary prior to final approval of the most recently negotiated reclamation contract (as per a condition of tentative approval).

You will also find enclosed a series of application histories which are lists of the existing correspondence in our files. You may wish to again check this for completeness or compare it with your own files and make comment. Please let me know if I may be of assistance in completing this final permit updating.

Sincerely,


for
THOMAS N. TETTING
ENGINEERING GEOLOGIST

Enclosures: Permit Application
Histories and Mine Plan Questions

TNT/mn

cc: Jim Smith, DOGM
Rick Broschat, Atlas Minerals
Big Indian Mines

The Four Corners Mine ACT/015/014

1. How will the shafts, declines, boreholes and ventilation portals be sealed? Is this currently the method used for temporary suspension or have other methods been devised? If so, what are these?
2. The 1977-1980 Annual Reports have either never been filed or are missing from our files. Would you please forward copies of them?
3. The 2.2 acre disturbance amendment request of November 22, 1978 has been given approval and incorporated into the mine plan.
4. In general, several mines including this one, have been indicated in past correspondence to have inadequate seed mixtures and/or inadequate amounts of PLS. The Division has made specific recommendations for an alternate re-seeding scheme. Atlas, however, has made no direct acknowledgement of these ideas. The Division now realizes that the MK report makes more specific recommendations for adequacy and generally agrees with these without going through each plan and amending the individual mixtures as recommended by the Division the simplest method will be to have Atlas commit to using the MK suggestions; where inadequacies develop and references go back to the original mine plan for lists of types and amounts, if these lists have been approved then they may be used, if not and they have been superceded by an additional suggestion by the Division then the new suggestion will be considered the list to be used. This is of course, in lieu of the possibility that Atlas details a commitment to more specific portions of the MK report.

The Wood Lease Mine ACT/037/021

1. How will the borehole be sealed?
2. The Division does not have the 1977-1980 Annual Operations Reports. Could copies of these be forwarded to our office?
3. Is the June 13, 1977 map an accurate and current map of surface facilities?
4. Was water bearing strata encountered during mining? Were any provisions made to discharge or evaporate it? If so, please provide the details.

The Cane Creek Mine ACT/019/007

1. The location of the surface disturbances along the access roads are not readily transferable to the topo-location map on file. A new access and topo-location map should be provided which pin-points the existing mine site to the extent that an access route could be ascertained (at least from the nearest county road).
2. How will the five portals be sealed?
3. A deficit of 2.2 acres of disturbed area was noticed lacking from a commitment for revegetation/ reclamation of waste rock piles and access road). This should be clarified.
4. Again, there were no 1977-1980 Annual Operations Reports found in our files. Could Atlas please forward copies of these?

5. The 1.1 acre area amendment is approved because of the post-act status, a topsoil stockpile should be in existence.
6. There has been no indication that this minesite has ever been inspected by the Division. Could you substantiate this fact?

The Happy Jack Mine ACT/037/024

1. A topographic location map is needed which will include surface features, drainages, etc.
2. How will the six adits be closed?
3. Was the documentation of prior disturbed areas, which was suggested in the letter of September 23, 1977, ever completed? A map of these prior abandoned areas is needed if Atlas does not wish to be held liable for complete reclamation.
4. The letter of March 29, 1979 suggesting an improved seed mix will be considered more current than the original MRP commitment.
5. The 1977-1980 Annual Operations and Progress Reports are not in the Division files. Please forward copies of them.

For final completion of the permitting arrangements the Division is also awaiting information concerning the updating of detailed bonding estimates for:

- | | |
|---------------------------|-------------|
| 1. The Calliham-Sage Mine | ACT/037/023 |
| 2. The Far West Mine | ACT/037/019 |
| 3. The Four Corners Mine | ACT/015/014 |
| 4. The Snow Mine | ACT/015/013 |
| 5. The Standard I Mine | ACT/037/005 |
| 6. The Wood Lease Mine | ACT/037/021 |
| 7. The Cactus Rat Mine | ACT/019/009 |
| 8. The Cane Creek Mine | ACT/019/007 |
| 9. The Happy Jack Mine | ACT/037/024 |
| 10. The Dunn Mine | ACT/037/017 |
| 11. The Pandora Mine | ACT/037/012 |
| 12. The Patti Ann Mine | ACT/037/003 |
| 13. The Probe Mine | ACT/015/011 |
| 14. The Rim-Columbus Mine | ACT/037/006 |
| 15. The Velvet Mine | ACT/037/040 |

Finally, for completion of the permitting arrangements the Division is looking forward to a response to the November 22, 1982 letter regarding a specific commitment to the revegetation/reclamation program.

Permit Application History
for the Four Corners Mine
Atlas Minerals ACT/015/014

June 20, 1977:

The Division received MR 1 from Atlas. (35 acres disturbance)

June 24, 1977:

The Division acknowledged receipt of the form.

July 26, 1977:

Atlas submitted a revised Mining and Reclamation Plan. (31.8 acres disturbance)

May 10, 1978:

The Division inspected the mine sites and made recommendations for a more diverse reseeding mixture.

November 22, 1978:

Atlas requested a 2.2 acre amendment to the mine plan for a waste rock stock-pile expansion. (34 acre disturbance total)

December 4, 1978:

The Division received the MR Form 8 commitment to Rule M-10.

March 2, 1979:

The Division acknowledged receipt of the amendment, determined the plan to be complete and suggested a new seed mixture and rate.

November 26, 1979:

The Division requested that Atlas complete the permitting of all outstanding unapproved mines.

March 4, 1980:

Atlas proposed a general revegetation test plot plan.

June 19, 1980:

Atlas indicated that a test plot program was getting underway.

November 5, 1980:

Atlas suggested that further negotiations were necessary on the Reclamation Contract.

November 24, 1980:

Atlas continued to negotiate the terms of the Contract.

Page Two

June 12, 1981:

Atlas submitted the Revegetation Test Plot Research Proposal.

June 26, 1981:

The Division acknowledged receipt of the proposal.

July 14, 1981:

The Division offered suggested improvements to the revegetation proposal.

January 22, 1982:

Atlas suspended mining operations.

February 1, 1982:

Atlas submitted the 1981 Annual Operations and Progress Report.

February 4, 1982:

The Division acknowledged receipt of the report.

March 24, 1982:

The Division approached the Board of Oil, Gas and Mining with a new Reclamation Contract proposal.

May 25, 1982:

Atlas submitted an alternative revegetation proposal.

September 13, 1982:

The Division forwarded concerns on bonding to Atlas for comment.

October 15, 1982:

Atlas submitted the Morrison-Knudsen Reclamation/Revegetation Methodology with qualifiers as a new proposal.

October 25, 1982:

The Division clarified some issues regarding mine plan approval and bonding.

October 28, 1982:

The Board of Oil, Gas and Mining issued tentative conditional approval for all Atlas Mines with the Reclamation Contract form of surety.

November 9, 1982:

Atlas submitted financial reports in accordance with the conditions of approval.

Page Three

November 12, 1982:

The Division sent the 30-day publication notice to the newspapers.

December 8, 1982:

This permit application history was compiled.